

**STATE OF ILLINOIS  
ILLINOIS COMMERCE COMMISSION**

Illinois Department of Commerce and	)	
Economic Opportunity	)	
	)	Docket No. 07-0541
Approval of its Energy Efficiency Portfolio	)	
and Plan Pursuant to Section 12-103(f) of	)	
the Public Utilities Act.	)	

**Pre-Hearing Memorandum of the People of the State of Illinois**

The People of the State of Illinois (“the People”) file this pre-hearing memorandum in accordance with the Administrative Law Judge’s directive during the status conference held on December 12, 2007. As discussed below, there are a number of contested issues in this case. The parties continue to work to resolve, or at least clarify, the contested issues, to avoid unnecessary cross-examination at the evidentiary hearing scheduled on January 4, 2008.

The People seek resolution of the following contested issues:

1. Whether certain energy efficiency and demand-response programs that have been proposed by the Illinois Department of Commerce and Economic Opportunity (“DCEO”) in this docket are cost-effective.
2. How the energy efficiency and demand-response programs will be monitored and evaluated to determine if DCEO has met the annual standards specified in 220 ILCS 5/12-103. Specifically, whether evaluations will be based on actual energy savings or “deemed” savings.
3. The structure, role and scope of the collaborative process that follows this docket. Key questions include the source of funding and a neutral facilitator for the process, which

stakeholders should participate in the process, whether decisions are advisory or binding, and what issues are addressed in the collaborative (e.g., monitoring and evaluation, program design, etc.)

4. The manner in which the costs of energy efficiency and demand-response programs will be recovered from ratepayers (e.g., whether the full cost of a measure will be recovered in the year that it is implemented or over the life of the measure.)

The People have submitted expert testimony on these issues (the Direct Testimony of Philip H. Mosenthal) and continue to work with the other parties to resolve them. The People do not have cross-examination for any witnesses in this docket.

Respectfully submitted,

The People of the State of Illinois  
by LISA MADIGAN, Attorney General

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